



**STATEMENT OF PROCEEDINGS  
FOR THE SPECIAL MEETING OF THE  
LOS ANGELES COUNTY AUDIT COMMITTEE**

**KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012**

**Wednesday, December 12, 2012**

**10:30 A.M.**

AUDIO LINK FOR THE ENTIRE MEETING. (12-5829)

**Attachments:** [AUDIO](#)

Present: Chair Genie Chough, Vice Chair Dorinne Jordan,  
Member Louisa Ollague, Vice Chair Carl Gallucci and  
Member Lori Glasgow

Call to Order. (12-5526)

**The meeting was called to order by Dorinne Jordan at 10:35 a.m.**

**On motion of Lori Glasgow, seconded by Genie Chough, Dorinne Jordan  
was elected Chair and Carl Gallucci was elected Vice Chair.**

**I. ADMINISTRATIVE MATTER**

1. Approval of the October 25, 2012 meeting minutes. (12-5532)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was  
approved.**

**Attachments:** [SUPPORTING DOCUMENT](#)

**II. BOARD POLICIES**

2. Recommendation to approve substantive changes to Board Policy No. 9.110 - Employment Eligibility Verification Program (E-VERIFY) (Formerly known as INS Basic Employment Pilot), extend the sunset review date to November 30, 2016 and submit to the Board of Supervisors for final action (11/5/12) (Continued from meeting of 12/12/12). (12-5454)

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

3. Recommendation to approve extending the sunset review date to February 20, 2015 for Board Policy No. 3.046 - Water Recycling Policy (12/4/12). (12-5648)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was approved.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

**III. OLD BUSINESS**

4. Recommendation to approve proposed Board Policy entitled, County Filming Policy, for submission to the Board of Supervisors for final action (9/24/12) (Continued from meetings of 10/25/12 and 12/12/12). (12-4579)

**Audit Committee members expressed concern about the possible impact to the community as well as the local filming industry and asked Chief Executive Office (CEO) staff to report back with current practices and changes that will be applied with the new policy, including possible future fees for filming at County locations.**

**Frank Cheng, CEO, reported that the policy was reviewed and accepted by FilmL.A. The policy supports the film industry and does not change current practices.**

**On motion of Lori Glasgow, seconded by Louisa Ollague, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

5. Recommendation to approve substantive changes to Board Policy No. 6.020 - Chief Information Office Board Letter Approval, extend the sunset review date to December 31, 2016 and submit to the Board of Supervisors for final action (10/18/12) (Continued from meetings of 10/25/12 and 12/12/12). (12-4890)

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

6. Revising the Living Wage Rate Calculation Methodology (7/10/12) (Continued from meetings of 8/16/12, 10/25/12 and 12/12/12). (12-3753)

**Genie Chough referenced a Living Wage comparison chart provided to the Committee and expressed concern about the possible cost of health insurance changes that may not be reflected.**

**Don Chadwick, Auditor-Controller, reported that discussions, regarding the possible impact represented by Health Care reform, are being conducted by County Counsel and the Living Wage Committee.**

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

7. AIDS Healthcare Foundation, Inc. - A Department of Public Health HIV/AIDS care and Prevention Service Contract Provider (8/16/12) (Continued from meetings of 10/25/12 and 12/12/12). (12-3883)

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

#### **IV. REPORTS**

8. St. Mary Medical Center Contract Review - A Department of Public Health HIV/AIDS Care and Prevention Services Provider (10/23/12). (12-5508)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

9. Review of the Department of Children and Family Services' Automated Provider Payment System (10/24/12). (12-5510)

**Dorinne Jordan recommended that this item be referred to the Children's Deputies for review.**

**On motion of Lori Glasgow, seconded by Genie Chough, this item was referred to the Children's Deputies.**

Attachments: [SUPPORTING DOCUMENT](#)

10. Review of LAC+USC Medical Center's Compliance with Board Information Technology and Security Policies (10/25/12). (12-5509)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

11. Maximus, Inc. - A Department of Public Social Services Greater Avenues for Independence Program Provider - Contract Compliance Review (10/26/12). (12-5511)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

12. Gateways Hospital and Mental Health Center - A Department of Mental Health and Department of Children and Family Services Provider - Contract Compliance Review - Fiscal Years 2010-11 and 2011-12 (11/7/12) (Continued from meeting of 12/12/12). (12-5513)

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

Attachments: [SUPPORTING DOCUMENT](#)

13. Managed Career Solutions, Inc. - A Department of Public Social Services General Relief Opportunities for Work Program Provider - Contract Compliance Review - Fiscal Years 2010-11 and 2011-12 (11/19/12). (12-5514)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

Attachments: [SUPPORTING DOCUMENT](#)

14. Southern California Alcohol and Drug Programs, Inc. - A Department of Public Social Services Domestic Violence Supportive Services and Community Service Block Grant Programs Provider - Follow-Up Review (11/19/12) (Continued from meeting of 12/12/12). (12-5515)

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

15. City of Compton - Compton Careerlink - A Community and Senior Services' Workforce Investment Act Program Contract Service Provider - Contract Compliance Review - Fiscal Year 2011-12 (11/19/12) (Continued from meeting of 12/12/12). (12-5516)

**Louisa Ollague questioned the status of the Corrective Action Plan and overpayments. Robert Brieff, Community and Senior Services, stated that the report is currently being reviewed. An independent auditor was hired by the provider to conduct a single audit report and is scheduled for completion in March 2013.**

**Genie Chough expressed concern about the agency not being entered into the Contractor Alert Reporting Database (CARD) even after it was suggested by the Auditor-Controller.**

**Mr. Brieff reported that a resolution process will need to be executed before the agency can be placed into CARD.**

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

16. The Institute for the Redesign of Learning, DBA Almansor Center - A Department of Mental Health Contract Service Provider - Contract Compliance Review - Fiscal Year 2010-11 (11/19/12). (12-5517)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

17. District Attorney's Asset Forfeiture Fund (11/20/12). (12-5512)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

18. Fiscal Year 2012-13 First Quarter Report on Audit-Related Funding Transferred from General Fund Departments (12/03/12) (Continued from meeting of 12/12/12). (12-5649)

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

#### **V. DISCUSSION ITEMS**

19. Review and discussion of Committees and Commissions that do not require a sunset review date (Continued from meetings of 10/25/12 and 12/12/12). (12-3918)

**Laura Zucker, Executive Director of the Arts Commission, expressed concern regarding their sunset review process being conducted every two years and asked that the Committee consider approving a four year extension. Ms. Zucker stated that in addition to preparing a significant amount of documentation for sunset reviews every two years, the Arts Commission operates with a separate budget and has an annual review process.**

**Genie Chough asked Auditor-Controller staff to report back with Commissions that have separate budgets and staff.**

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

20. Community and Senior Services monitoring update (Continued from meeting of 10/25/12). (12-4835)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

21. Status update by the Office of the Assessor, on the implementation of recommendations related to compliance with Board Information Technology and Security Policies as requested at the meeting of 10/25/2012 (Continued from meeting of 12/12/12). (12-5226)

**Dorinne Jordan requested that Kreimann Santos, Chief Deputy Assessor, be present at the next Audit Committee meeting.**

**On motion of Genie Chough, seconded by Lori Glasgow, this item was continued to January 24, 2013.**

22. Pending Audits/Monitoring Reports. (12-5690)

**Jim Schneiderman, Auditor-Controller, was asked to have the consultant who conducted the management audit for the Assessor's Office present at a future Board of Supervisors' meeting.**

23. Fiscal Year 2012-2013 Audit Budget. (12-5725)

**Jim Schneiderman, Auditor-Controller, reported that the number of audits related to Information Technology (IT) have increased and a request to fund the addition of seven IT Auditor positions, with a cost of \$800,000, will be reflected in the Budget.**

**Dorinne Jordan requested that a discussion item, related to the need for the new positions, be added to the January 24, 2012 agenda.**

**Louisa Ollague asked Jim Schneiderman to report back with a past and present budgetary allocation comparison for audit representatives at the January 24, 2012 meeting.**

**Discussion with regard to resources that may possibly fund requested IT Auditor positions ensued.**

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

24. Fiscal Year 2012-2013 Cash Flow Projection. (12-5521)

**On motion of Lori Glasgow, seconded by Genie Chough, this item was received and filed.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

**VI. CLOSED SESSION**

25. 11:00 A.M.  
JOINT CLOSED SESSION WITH MENTAL HEALTH AND OTHER DEPUTIES  
CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION  
Government Code Section 54956.9(c)  
Initiation of litigation (one case)  
Department of Mental Health (12-5227)

**Chair Dorinne Jordan referenced the above Notice of Closed Session item to be discussed.**

**The Committee recessed to Closed Session at 11:10 a.m. Present were Chair Dorinne Jordan, Vice Chair Carl Gallucci, Member Genie Chough, Member Lori Glasgow and Member Louisa Ollague.**

**The Committee reconvened the Audit Committee meeting at 12:20 p.m. Present were Chair Dorinne Jordan, Vice Chair Carl Gallucci, Member Genie Chough, Member Lori Glasgow and Member Louisa Ollague.**

**Chair Dorinne Jordan advised that no reportable action was taken in Closed Session.**

**VII. MISCELLANEOUS**

26. Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting). (12-5527)
- 26A. The following item was introduced for discussion and placed on the agenda for consideration at a future meeting:
- Discussion on the need for seven new Information Technology (IT) Auditors, requested by the Auditor-Controller, and alternatives to fund such positions. (13-0096)
27. Public Comment. (12-5528)

**No member of the public addressed the Committee.**

28. Adjournment. (12-5530)

**There being no further business to discuss, the meeting adjourned at 12:35 p.m.**